

COMMONWEALTH OF KENTUCKY
BEFORE THE
PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF:

APPLICATION OF BIG RIVERS
ELECTRIC CORPORATION IN
P.S.C. No. 7990

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No. 7990

ORDER AMENDING PRIOR ORDER TO
AUTHORIZE AMENDMENT OF MORTGAGE NOTE

The commission entered an order in this matter on November 13, 1980, authorizing Big Rivers Electric Corporation (Big Rivers) to borrow \$1,110,740,000 from either the United States of America through the Rural Electrification Administration (REA) or from the Federal Financing Bank (FFB) and to issue appropriate evidence of indebtedness to secure that debt. Big Rivers subsequently obtained the approved loan from and issued its note to the FFB. Big Rivers has now moved the commission to approve amendment of the FFB note to permit Big Rivers to extend the maturity date of certain loan advances for a period of less than the two-year minimum extension period allowed under the present terms of the note.

The commission finds that the amendment to the FFB note proposed by Big Rivers will eliminate the possibility of any prepayment penalty on \$57,992,000 in advances under the FFB note if the FFB note is prepaid in connection with a possible sale-leaseback of Big Rivers' D.B. Wilson Station Unit 1. The proposed amendment to the FFB note makes no other substantive changes in

the financing arrangement among Big Rivers, the FFB and the REA (guarantor under the note), and must be approved by both the FFB and the United States through the Administrator of the Rural Electrification Administration.

The proposed amendment to the FFB note is for a lawful object within the corporate purposes of Big Rivers, is necessary and appropriate for and consistent with the proper performance by Big Rivers of its service to the public and will not impair its ability to perform such service and is reasonably necessary and appropriate for such purposes.

IT IS THEREFORE ORDERED That Big Rivers Electric Corporation be and is hereby authorized to execute and deliver to the Federal Financing Bank the proposed Amendment No. 1 to the FFB note.

IT IS FURTHER ORDERED That all the provisions of the Commission's previous orders in this case not in conflict with this order shall remain in full force and effect.

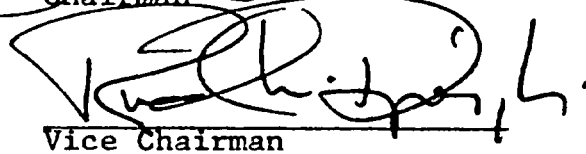
IT IS FURTHER ORDERED That the information furnished to the Commission and the evidence filed herein constitute a full compliance with the Commission's rules and regulations and any other information or exhibits are waived.

Nothing contained herein shall be construed as a finding of value for any purpose, or as a warranty on the part of the Commonwealth of Kentucky, or any agency thereof.

Done at Frankfort, Kentucky, this 9th day of December,
1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary